

## § 619.9170

direct long-term real estate lending authority pursuant to section 7.6 of the Act.

[55 FR 24889, June 19, 1990]

### § 619.9170 Fixed interest rate.

The rate of interest specified in the note or loan document which will prevail as the maximum rate chargeable to the borrower during the period of the loan.

### § 619.9180 Fixed interest spread.

A percentage to be added to the cost of money to the bank or association as the means of establishing a lending rate.

### § 619.9185 Funding Corporation.

The term *Funding Corporation* refers to the Federal Farm Credit Banks Funding Corporation established pursuant to section 4.9 of the Act.

[55 FR 24889, June 19, 1990]

### § 619.9195 Loan participation.

A fractional undivided interest in the principal amount of a loan that is sold by a lead lender to a participating institution in accordance with the requirements of § 614.4330 of this chapter. The term "loan participation" does not include a subordinated participation interest.

[57 FR 38250, Aug. 24, 1992]

### § 619.9200 Loss-sharing agreements.

A contractual arrangement under which the parties agree to share losses associated with loans or otherwise, as may be provided for in the agreement.

[42 FR 20457, Apr. 20, 1977]

### § 619.9210 Merger.

Combining of one or more organizational entities into another similar entity.

### § 619.9230 Open-end mortgage loan plans.

A mortgage loan which permits the borrower to obtain additional sums during the term of the loan.

### § 619.9240 Participation agreement.

A contract under which a lender agrees to sell a portion of a loan to one

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or more purchasers under specific terms set forth in the agreement.

### § 619.9250 Participation certificates.

Evidence of investment in a bank or association to which all the rights and obligations of stock attach with the exception of the right to vote in the affairs of the institution.

### § 619.9260 Primary security.

The basic collateral securing the loan.

### § 619.9330 Speculative purposes.

To buy or sell with the expectation of profiting by fluctuations in price.

[40 FR 49078, Oct. 21, 1975]

### § 619.9340 Variable interest rate.

An interest rate on the outstanding loan balances, which may be changed from time to time during the period of the loan, if provision is made in the note or loan document.

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